

HOUSE BILL REPORT

HB 2181

As Reported By House Committee On:

Health Care
Appropriations

Title: An act relating to enhancing long-term care services.

Brief Description: Enhancing long-term care services.

Sponsors: Representatives Dyer, Horn, L. Thomas, Carlson and Benton.

Brief History:

Committee Activity:

Health Care: 1/16/96, 1/26/96 [DPS];
Appropriations: 2/1/96, 2/3/96 [DP2S(w/o sub HC)].

HOUSE COMMITTEE ON HEALTH CARE

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 12 members: Representatives Dyer, Chairman; Backlund, Vice Chairman; Hymes, Vice Chairman; Cody, Ranking Minority Member; Murray, Assistant Ranking Minority Member; Casada; Conway; Crouse; Morris; Sherstad; Skinner and H. Sommers.

Staff: Antonio Sanchez (786-7383).

Background: The Aging and Adult Services Administration is the agency within the state Department of Social and Health Services (DSHS) that has management responsibility for publicly-funded long-term care services, such as nursing homes, chore services, Medicaid personal care, adult family homes, Community Options Program Entry System (COPES), and boarding homes. In Washington State, approximately 17,000 elderly and non-elderly clients receive care in a nursing home, while over 8,000 elderly, and persons with disabilities live in licensed adult family homes, and approximately 18,000 are receiving some form of long-term care in their own homes.

In 1989, the Washington State Legislature responded to concerns about the increasing shortage, cost, and complexity of publicly-funded long-term care services by enacting legislation that established a long-term care commission. The commission was charged with studying and recommending reforms in the state's long-term care

system. The commission recommended that a series of comprehensive system reforms be enacted by statute to make the long-term care system comprehensive, uniform, and accountable.

Summary of Substitute Bill: Comprehensive Long-Term Care System Reform - DSHS is encouraged to enact the intent of the 1989 long-term care reforms calling for the streamlining of bureaucratic fragmentation and the development of an integrated long-term care system based on functional disability.

The Washington Health Care Policy Board is directed to develop a plan for sections 3 through 12 by December 12, 1996, and for sections 1,2, and 13 through 15 by July 1, 1997.

- Reduce and reorganize the long-term care bureaucracy by consolidating the administration of all categorical chronic long-term care services;
- Implement a streamlined client-centered long-term care delivery system based on functional disability;
- Facilitate greater participation in long-term care administration by local communities, appropriately relying on families and community volunteers;
- Seek alternative funding sources and the use of long-term care insurance;
- Implement a case-mix reimbursement system for nursing homes;
- Separate federal Older Americans Act funds and ask that the administration of the funds be separated from Aging and Adult Services;
- Review Senior Services Act funds to identify whether the funds are being used for the most disabled elderly.

Obsolete language that established the original long-term care commission is removed.

An appropriation of \$25,000 is added.

Substitute Bill Compared to Original Bill: The substitute bill requires certain aspects of the implementation plan to be extended an additional six months to July 1, 1997. An appropriation of \$25,000 is added. The Legislative Budget Committee is removed from conducting the study, and the Washington Health Care Policy Board is given the responsibility to conduct the study.

Appropriation: \$25,000 from the general fund to the Washington Health Care Policy Board.

Fiscal Note: Requested on January 29, 1996.

Effective Date of Substitute Bill: Ninety days after adjournment of session in which bill is passed.

Testimony For: This study and implementation plan are needed to provide appropriate, targeted, and uniform services to all persons needing chronic long-term care. The system should be based on a measure of a person's functional ability.

Testimony Against: This is not needed because it will affect younger developmentally disabled persons who will be in competition with older disabled adults for services and limited funds.

Testified: (Pro) Dennis Mahar, Washington Association of Area Agencies on Aging; Frank Winslow, Alzheimer Society of Washington; and Kathy Leitch, Department of Social and Health Services, Aging and Adult Services. (Con) Sue Elliott, ARC of Washington; and Florence Stier, Senior Lobby.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The second substitute bill be substituted therefor and the second substitute bill do pass and do not pass the substitute bill by Committee on Health Care. Signed by 30 members: Representatives Huff, Chairman; Clements, Vice Chairman; Pelesky, Vice Chairman; H. Sommers, Ranking Minority Member; Valle, Assistant Ranking Minority Member; Basich; Beeksma; Brumsickle; Carlson; Chappell; Cooke; Crouse; Dellwo; Dyer; Foreman; Grant; Hargrove; Hickel; Jacobsen; Kessler; Lambert; Linville; McMorris; Poulsen; Reams; Rust; Sehlin; Sheahan; Talcott and Wolfe.

Staff: Susan Nakagawa (786-7145).

Summary of Recommendation of Committee on Appropriations Compared to Recommendation of Committee on Health Care: The appropriation of \$25,000 is deleted. Language is added making the bill null and void absent funding in the 1996 supplemental operating budget.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed. However, the bill is null and void if not funded in the 1996 supplemental appropriation operating budget.

Testimony For: None.

Testimony Against: DSHS is not opposed to a study of the state's long-term care system, but is concerned that the time frame for completing the study and developing

recommendations for many of the study components by December 1996 may not be sufficient. With the uncertainty over the federal budget situation, this deadline seems too short.

Testified: Ralph Smith, Assistant Secretary, Aging and Adult Services Administration, DSHS.